



Far East Hotels and Entertainment Limited

Stock Code : 37

Interim Report 2025
中期報告



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In the event of any error or omission in the Chinese translation of this Interim Report, the English text shall prevail.





CORPORATE INFORMATION

Place of Incorporation

Hong Kong

Board of Directors

Executive Directors

Derek Chiu, B.Sc.

(Chairman, Managing Director and Chief Executive)

Amanda Chiu, B.A.

Non-executive Directors

Chiu Ju Ching Lan, J.P.

Alex Chiu, B.Sc.

Independent Non-executive Directors

Choy Wai Shek Raymond, M.H., J.P.

Ng Chi Kin

Lo Chun Chiu Adrian

Company Secretary

Cheng Lucy

Solicitors

Woo Kwan Lee & Lo

Independent Auditor

Deloitte Touche Tohmatsu

Registered Public Interest Entity Auditors

Hong Kong

Authorised Representatives

Derek Chiu, B.Sc.

Cheng Lucy

Audit Committee

Ng Chi Kin *(Chairman)*

Choy Wai Shek Raymond, M.H., J.P.

Lo Chun Chiu Adrian

Remuneration Committee

Choy Wai Shek Raymond, M.H., J.P. *(Chairman)*

Ng Chi Kin

Lo Chun Chiu Adrian

Derek Chiu, B.Sc.

Nomination Committee

Lo Chun Chiu Adrian *(Chairman)*

Choy Wai Shek Raymond, M.H., J.P.

Ng Chi Kin

Derek Chiu, B.Sc.

Amanda Chiu, B.A.

Principal Bankers

Bank of China (Hong Kong) Limited

Hang Seng Bank Limited

The Bank of East Asia, Limited

The Hongkong and Shanghai Banking Corporation Limited

Registered and Principal Office

Unit 1004, 10th Floor

Harcourt House

39 Gloucester Road

Wan Chai, Hong Kong

Share Registrar

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road, Hong Kong

Place of Listing

The Shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited

Stock Code

00037

Website

www.tricor.com.hk/web/service/00037

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL RESULTS

For the six months ended 30 September 2025 (the “Period”), Far East Hotels and Entertainment Limited (the “Company”) and its subsidiaries (collectively, the “Group”) recorded an unaudited consolidated loss attributable to owners of the Company of HK\$7.9 million (30 September 2024: HK\$22.8 million).

INTERIM DIVIDEND

The board of directors of the Company (the “Directors” and the “Board”, respectively) has resolved not to declare any interim dividend in respect of the Period (30 September 2024: Nil).

REVIEW OF OPERATIONS AND PROSPECTS

For the Period, the Group recorded total revenue of approximately HK\$8.7 million, representing a 23.7% decrease compared to HK\$11.4 million for the corresponding period in 2024. The Group’s gross profit for the Period was HK\$1.7 million (30 September 2024: gross loss of HK\$0.4 million). The loss for the Period attributable to owners of the Company was HK\$7.9 million (30 September 2024: HK\$22.8 million).

Continuing operations

For the Period, revenue from the Group’s continuing operations was approximately HK\$8.7 million, representing a 8.4% decrease compared to HK\$9.5 million in 2024. Gross profit from continuing operations was HK\$2.4 million for the Period, reflecting a 33.3% increase from HK\$1.8 million in 2024. The loss attributable to owners of the Company from the continuing operations was HK\$6.6 million for the Period (30 September 2024: HK\$14.7 million).

For the Cheung Chau Warwick Hotel, the Group recorded a total revenue of approximately HK\$7.0 million (30 September 2024: HK\$8.2 million) and a net loss of HK\$0.4 million for the Period (30 September 2024: HK\$0.2 million). Revenue from the rooms department during the Period was HK\$5.5 million (30 September 2024: HK\$5.5 million). Revenue from the food and beverages department during the Period was HK\$1.5 million, resulting a 44.4% decrease as compared to HK\$2.7 million in 2024. The decline in food and beverages revenue was primarily attributable to reduced banquet activity and intensified competition within the local hospitality sector. In response to these market challenges, the Group has shortened operating hours and initiated a strategic repositioning of the restaurant offering from a traditional Chinese-style format to a more relaxed café-style concept. This transformation aims to better align with evolving customer preferences and enhance operational efficiency.

For the investment properties located in Hong Kong, the revenue remained stable at approximately HK\$0.5 million (30 September 2024: HK\$0.5 million). The segment recorded a net loss of HK\$6.8 million for the Period (30 September 2024: HK\$15.0 million), primarily due to (i) a decrease of HK\$5.4 million (30 September 2024: HK\$12.7 million) in fair values of investment properties; and (ii) legal and professional fee of HK\$1.7 million (30 September 2024: HK\$2.3 million) related to Kau Wa Keng Project.



MANAGEMENT DISCUSSION AND ANALYSIS

For the investment properties located in Fiji, the Group recorded a total revenue of approximately HK\$1.2 million (30 September 2024: HK\$0.8 million) and a net profit of HK\$1.0 million (30 September 2024: HK\$0.6 million).

For securities investment and trading, the Group recorded a net profit of approximately HK\$4.9 million for the Period (30 September 2024: HK\$4.7 million), including an increase of HK\$4.6 million (30 September 2024: HK\$4.3 million) in fair value of financial assets at fair value through profit or loss (“FVTPL”) and dividend income from financial assets at FVTPL of HK\$0.3 million (30 September 2024: HK\$0.4 million).

Discontinued operations

In early 2025, the serviced property letting business in Beijing, the People’s Republic of China (the “PRC”) was discontinued. The comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to reflect this business as discontinued operations. The Group did not record any revenue for the Period, compared to HK\$1.9 million in the corresponding period of 2024. The Group recorded a net loss of HK\$1.3 million (30 September 2024: HK\$8.6 million). The net loss was mainly due to (i) the expiry of leases which led to the cessation of income; and (ii) legal and professional fees of HK\$0.6 million (30 September 2024: HK\$1.9 million) related to the legal dispute concerning the serviced property in Beijing. For further details, please refer below section “Legal dispute in respect of the serviced property in Beijing”.

Legal dispute in respect of the serviced property in Beijing

The Group was involved in a legal dispute in respect of the leasing of the serviced property in the PRC (the “Relevant Property”) by 北京海聯物業管理有限公司 (Beijing Hai Lian Property Management Company Limited) (a subsidiary of the Company) (“Beijing Hai Lian”) as tenant from landlord (the “Landlord”). The Relevant Property comprises 2 buildings, which were sub-let by Beijing Hai Lian to independent third party sub-tenants. It is stipulated in the relevant lease agreement entered into between Beijing Hai Lian and the Landlord that the lease has a term of 30 years expired on 30 September 2024 and that Beijing Hai Lian is entitled to renew the lease for a further term of 20 years based on the same terms. The dispute arose from the disagreement on the proposed increase in the rental amount as from 1 October 2022. The Landlord applied for an order from 北京市東城區人民法院 (Beijing Dongcheng People’s Court) (the “Court”) that the lease was terminated by the Landlord with effect from August 2022, and that Beijing Hai Lian shall vacate the Relevant Property and pay an increased rent during the period from 1 October 2022 to the date of actual vacating of the Relevant Property. The claims by the Landlord were dismissed by the Court on 8 October 2023 and the appeal filed by the Landlord was also dismissed by 北京市第三中級人民法院 (Beijing No. 3 Intermediate People’s Court) on 26 April 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Despite the abovementioned outcome of the legal actions taken out by the Landlord, the Landlord subsequently issued written notices to Beijing Hai Lian requesting Beijing Hai Lian to deliver the possession of the Relevant Property to the Landlord by 30 June 2024. In view of the dispute with the Landlord, Beijing Hai Lian did not renew one of the sub-tenancies which expired on 31 May 2024 and provision in the amount of about HK\$2.2 million equivalent was made in the audited consolidated financial statements of the Company for the financial year ended 31 March 2023 in relation to the probable compensation payable to the sub-tenant for any early termination of the other sub-tenancy, which will otherwise expire on 31 December 2026 (the “Other Sub-tenancy”). The Company has obtained legal advice from its external legal advisers and made an application to the court in January 2025 for an order against the Landlord for, among others, compensation for the losses of Beijing Hai Lian as a result of the Landlord’s failure to renew the lease, the costs and expenses previously incurred by Beijing Hai Lian for the re-development, extension and refurbishment of the Relevant Property. The Landlord and Beijing Hai Lian entered into an agreement for the surrender of the Relevant Property by Beijing Hai Lian to the Landlord on 17 March 2025, which shall not prejudice the abovementioned claims of Beijing Hai Lian for compensation from the Landlord. As of the date of this report, the above-mentioned legal disputes remain ongoing.

In November 2024, the Group initiated legal action against the sub-tenant to demand payment of the outstanding rent and damages. On 8 April 2025, the Group obtained a court ruling from the Court requiring the sub-tenant to pay the outstanding rent which was received by the Group on 21 May 2025.

During the Period, the Landlord made a claim against Beijing Hai Lian for lease payments from July 2024 until the date of termination of the Other Sub-tenancy. The Court issued a ruling on 30 June 2025, which was upheld by 北京市第二中级人民法院 (Beijing No. 2 Intermediate People’s Court) on 9 October 2025, ordering Beijing Hai Lian to pay lease payments of about HK\$2.0 million equivalent (including an overpayment of about HK\$0.5 million equivalent). A provision of about HK\$1.1 million equivalent had already been made in the audited consolidated financial statements of the Company for the financial year ended 31 March 2025, and an additional provision of about HK\$0.4 million equivalent was recognised during the Period. The Group settled this amount on 14 October 2025. The settlement has no material impact on the Group’s financial position as of the reporting date.

Kau Wa Keng Project

On 25 January 2022, Lai Chi Kok Amusement Park Company, Limited (“LCKAP”), a wholly-owned subsidiary of the Company and Cornhill Enterprises Limited (a related company controlled by Mr. Derek Chiu and his family which holds certain portions of the application site on trust for LCKAP) (as the applicants) (collectively, the “Applicants”), have submitted an application (the “Application”) under section 16 of the Town Planning Ordinance (Chapter 131 of the laws of Hong Kong) to the Town Planning Board (the “TPB”) to seek approval for the proposed comprehensive development of various lots in Survey District No. 4 and the adjoining Government Land at Kau Wa Keng, Kwai Chung, New



MANAGEMENT DISCUSSION AND ANALYSIS

Territories (the “Application Site”) which is designated as Comprehensive Development Area zone under the Draft Kwai Chung Outline Zoning Plan. On 14 July 2023, the Application has been approved by the TPB subject to certain conditions. The Application and Master Layout Plan as approved specified the maximum development gross floor area of the Application Site to be about 241,522 m² and contemplated the comprehensive development to comprise 14 residential blocks with an overall plot ratio of not more than 5 and a maximum building height of +120 mPD, which would provide a total of 5,973 residential flats (the “Approved Scheme”). For details of the Application, please refer to the announcements of the Company dated 26 January 2022 and 14 July 2023.

The Application Site has a site area of approximately 48,313.167 m² comprising about 54% private lots and about 46% Government Land. A majority of the private lots within the Application Site (representing about 69.34% of the total site area of the private lots) is wholly or partially owned by LCKAP.

In the meeting of the Metro Planning Committee (the “Committee”) of the TPB approving the Application held on 14 July 2023, certain members of the Committee put forward recommendations regarding the enhancement of retail and social welfare facilities. After taking into consideration the suggestions of the Committee’s members and for addressing community needs, LCKAP has on 10 April 2025, submitted an application (the “2025 Application”) under Section 16 of the Town Planning Ordinance, to seek approval for a revised comprehensive development of the Application Site proposing a revised maximum development gross floor area of about 313,979 m² and the minor relaxation of certain development restrictions. The 2025 Application aims to provide further planning and design enhancement to the approved comprehensive development under the Application, while retaining all planning merits committed in the Approved Scheme.

The Master Layout Plan submitted under the 2025 Application contemplates the Application Site to be developed into 15 building blocks with a maximum domestic plot ratio of 6, a maximum non-domestic plot ratio of 0.5 and a maximum building height of +147.55 mPD, which will provide about 7,052 residential flats. A non-domestic plot ratio of not more than 0.5 is designated for the proposed retail shops, proposed adaptive reuse of historic buildings and social welfare facilities. Amongst the 15 building blocks, 14 blocks of 37 to 40 storeys are contemplated for residential use with retail and social welfare facilities and one remaining 2-storey block is contemplated for retail facilities. For further details, please refer to the summary of the 2025 Application published on the website of the TPB.

Prospects

The Group anticipates that geopolitical developments, evolving consumer trends, and global economic conditions may continue to influence the business environment in the year ahead. While conditions remain dynamic, the Group remains focused on staying adaptable and responsive, and will continue to manage operations with care, readiness, and a long-term perspective.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group had approximately 40 employees (31 March 2025: 40). Employees are remunerated in accordance with the nature of the job and market conditions. Staff incentive bonus would be granted to reward and motivate those well-performed employees. The Company adopted a new share option scheme (the “New Scheme”) on 2 September 2016 as an incentive to the Directors and other eligible participants. The Group also provides and arranges on-the-job training for the employees. The remuneration and staff cost for the Period was HK\$5.0 million (30 September 2024: HK\$7.4 million).

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

As at 30 September 2025, the Group’s financial assets at FVTPL, with market value of approximately HK\$3.8 million (31 March 2025: approximately HK\$13.8 million), mainly represented investment portfolio of 4 equity securities listed in Hong Kong and 1 equity security listed in Singapore (31 March 2025: 11 equity securities listed in Hong Kong and 1 equity security listed in Singapore). The Board considers that the investments with market value as at 30 September 2025 accounting for more than 5% of the Group’s total assets as at 30 September 2025 as significant investments. As at 30 September 2025, none of each investment represents 5% or more of the Group’s total assets.

Save as the above, during the Period, there was no significant investment, material acquisition or disposal of subsidiaries, associates and joint ventures by the Company.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2025, the Group had bank balances and cash of HK\$11.1 million (31 March 2025: HK\$7.9 million), which were mainly denominated in Hong Kong dollars and Renminbi.

As at 30 September 2025, the Group had outstanding bank loans facilities of HK\$8.4 million (31 March 2025: HK\$8.4 million). All outstanding bank loans were denominated in Hong Kong dollars with interest at prevailing market rates, details of which are set out in note 12 to the condensed consolidated financial statements.

As at 30 September 2025, the Group did not have any foreign exchange contracts, interest or currency swaps or other financial derivatives. However, the Group will review and monitor the relevant foreign exchange risk from time to time based on its business development requirements and may enter into foreign exchange hedging arrangements when applicable.

Shareholders’ funds as at 30 September 2025 amounted to approximately HK\$292.8 million (31 March 2025: HK\$300.0 million). Accordingly, the Group’s gearing ratio (total bank borrowings to shareholders’ funds) as at 30 September 2025 was approximately 2.9% (31 March 2025: 2.8%).



MANAGEMENT DISCUSSION AND ANALYSIS

CHARGES OVER ASSETS OF THE GROUP

As at 30 September 2025, certain property, plant and equipment and right-of-use assets with an aggregate carrying value of approximately HK\$10.0 million (31 March 2025: approximately HK\$10.2 million) are secured for the Group's bank borrowings.

TREASURY POLICIES

The Group had adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Period. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

CONTINGENT LIABILITIES

As at 30 September 2025, the Company had issued financial guarantees of HK\$8.4 million (31 March 2025: HK\$8.4 million) to banks in respect of banking facilities granted to its subsidiaries, of which HK\$8.4 million (31 March 2025: HK\$8.4 million) had been utilised by its subsidiaries.

During the Period, the Landlord made a claim against a subsidiary of the Company for lease payments from July 2024 until the date of termination of the sublease. As at 31 March 2025, the Group had recognised related lease liabilities of approximately HK\$1.1 million and an additional provision of HK\$0.4 million was recognised during the Period, presenting the total lease payment from 1 July 2024 until the date of termination of the sublease based on the original head lease agreement. For further details, please refer to the "Legal dispute in respect of the serviced property in Beijing" section on pages 4 and 5.

CAPITAL COMMITMENTS

As at 30 September 2025, the Group had capital commitments of HK\$0.5 million (31 March 2025: HK\$2.3 million).

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 30 September 2025, the Group did not have other plans for material investments and capital assets.

EVENTS AFTER THE REPORTING DATE

The Group has no material event subsequent to the Period and up to the date of this report.

INTERIM FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		Six months ended 30 September	
		2025 (unaudited)	2024 (unaudited) (restated)
	Notes	HK\$	HK\$
Continuing operations			
Revenue	3	8,715,208	9,517,876
Cost of sales		(6,338,021)	(7,669,032)
Gross profit		2,377,187	1,848,844
Other income	5	365,798	488,835
Other gains or losses	5	4,573,450	5,291,052
Net decrease in fair values of investment properties		(5,436,851)	(12,660,069)
Selling expenses		(287,774)	(443,490)
Administrative expenses		(8,049,823)	(9,079,746)
Finance costs	6	(175,314)	(286,720)
Share of results of associates		354,872	339,583
Loss before tax	4	(6,278,455)	(14,501,711)
Income tax expense	7	(274,631)	(239,987)
Loss for the period from continuing operations		(6,553,086)	(14,741,698)
Discontinued operations			
Loss for the period from discontinued operations	15	(1,348,311)	(8,032,066)
Loss for the period		(7,901,397)	(22,773,764)
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		665,782	714,352
Total comprehensive expenses for the period attributable to owners of the Company		(7,235,615)	(22,059,412)

INTERIM FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

For the six months ended 30 September 2025

	Notes	Six months ended 30 September	
		2025 (unaudited) HK\$	2024 (unaudited) (restated) HK\$
Loss for the period attributable to owners of the Company			
– from continuing operations		(6,553,086)	(14,741,698)
– from discontinued operations		(1,348,311)	(8,032,066)
		<u>(7,901,397)</u>	<u>(22,773,764)</u>
Total comprehensive expense for the period attributable to owners of the Company			
– from continuing operations		(6,150,706)	(14,175,823)
– from discontinued operations		(1,084,909)	(7,883,589)
		<u>(7,235,615)</u>	<u>(22,059,412)</u>
LOSS PER SHARE	8		
From continuing and discontinued operations			
Basic (HK cents)		<u>(1.05)</u>	<u>(3.03)</u>
Diluted (HK cents)		<u>(1.05)</u>	<u>(3.03)</u>
From continuing operations			
Basic (HK cent(s))		<u>(0.87)</u>	<u>(1.96)</u>
Diluted (HK cent(s))		<u>(0.87)</u>	<u>(1.96)</u>
From discontinued operations			
Basic (HK cent(s))		<u>(0.18)</u>	<u>(1.07)</u>
Diluted (HK cent(s))		<u>(0.18)</u>	<u>(1.07)</u>

INTERIM FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Notes	30 September 2025 (unaudited) HK\$	31 March 2025 (audited) HK\$
Non-current assets			
Property, plant and equipment		23,697,338	24,428,593
Right-of-use assets		1,533,694	2,172,110
Deposits for capital expenditure		3,057,749	493,700
Investment properties		251,653,795	253,828,529
Interests in associates		1,087,377	1,282,505
Paintings		2,286,287	2,281,549
		<u>283,316,240</u>	<u>284,486,986</u>
Current assets			
Financial assets at FVTPL		3,842,611	13,788,467
Inventories		298,136	321,339
Finance lease receivables		–	3,250,975
Trade receivables	10	999,296	2,550,589
Other receivables, deposits and prepayment		2,107,519	2,330,969
Demand deposits held with security broker companies		13,930,565	8,383,631
Cash and cash equivalents		11,106,596	7,893,839
		<u>32,284,723</u>	<u>38,519,809</u>

INTERIM FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 September 2025

	Notes	30 September 2025 (unaudited) HK\$	31 March 2025 (audited) HK\$
Current liabilities			
Trade and other payables and accruals	11	6,733,500	6,667,009
Contract liabilities		125,603	48,908
Rental deposits received		237,500	245,800
Amount due to an associate		1,026,381	803,381
Amounts due to related companies		641,906	647,356
Bank borrowing	12	8,433,757	8,433,757
Lease liabilities		1,448,742	2,017,696
Tax payable		2,574,819	2,483,971
		<u>21,222,208</u>	<u>21,347,878</u>
Net current assets		<u>11,062,515</u>	<u>17,171,931</u>
Total assets less current liabilities		<u>294,378,755</u>	<u>301,658,917</u>
Capital and reserves			
Share capital	13	329,138,773	329,138,773
Reserves		(36,370,045)	(29,134,430)
		<u>292,768,728</u>	<u>300,004,343</u>
Non-current liabilities			
Deferred taxation		281,633	274,249
Provision for long service payments		1,133,913	1,133,913
Lease liabilities		194,481	246,412
		<u>1,610,027</u>	<u>1,654,574</u>
		<u>294,378,755</u>	<u>301,658,917</u>

INTERIM FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Share capital HK\$	Share option reserve HK\$	Statutory reserve HK\$	Translation reserve HK\$	Retained earnings/ (Accumulated losses) HK\$	Total HK\$
At 1 April 2024 (audited)	329,138,773	10,860,774	592,230	(8,920,795)	5,841,828	337,512,810
Loss for the period	–	–	–	–	(22,773,764)	(22,773,764)
Exchange differences arising on translation of foreign operations	–	–	–	714,352	–	714,352
Total comprehensive expense for the period	–	–	–	714,352	(22,773,764)	(22,059,412)
Lapsed share options transferred to accumulated profits	–	(627,101)	–	–	627,101	–
At 30 September 2024 (unaudited)	<u>329,138,773</u>	<u>10,233,673</u>	<u>592,230</u>	<u>(8,206,443)</u>	<u>(16,304,835)</u>	<u>315,453,398</u>
At 1 April 2025 (audited)	329,138,773	10,233,673	592,230	(11,070,420)	(28,889,913)	300,004,343
Loss for the period	–	–	–	–	(7,901,397)	(7,901,397)
Exchange differences arising on translation of foreign operations	–	–	–	665,782	–	665,782
Total comprehensive expense for the period	–	–	–	665,782	(7,901,397)	(7,235,615)
At 30 September 2025 (unaudited)	<u>329,138,773</u>	<u>10,233,673</u>	<u>592,230</u>	<u>(10,404,638)</u>	<u>(36,791,310)</u>	<u>292,768,728</u>

INTERIM FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025 (unaudited) HK\$	2024 (unaudited) HK\$
Net cash generated from operating activities	11,311,644	484,308
Investing activities		
Dividend received from an associate	550,000	—
Interest received	40,408	55,537
Addition of investment property	(1,975,010)	(15,300)
Addition of property, plant and equipment	(659,000)	(107,820)
Deposits paid for capital expenditure	(3,127,138)	(565,800)
Proceeds from disposal of paintings	—	2,784,000
Receipt of finance lease receivables	3,285,870	1,689,105
Net cash (used in) generated from investing activities	(1,884,870)	3,839,722
Financing activities		
Interest paid	(175,314)	(319,374)
Repayment of lease liabilities	(606,602)	(1,921,051)
Advances from an associate	223,000	235,000
Repayment to related companies	(5,450)	(5,555)
Net cash used in financing activities	(564,366)	(2,010,980)
Net increase in cash and cash equivalents	8,862,408	2,313,050
Cash and cash equivalents brought forward	16,277,470	25,109,626
Effect of foreign exchange rate changes	(102,717)	(57,971)
Cash and cash equivalents carried forward	25,037,161	27,364,705
Represented by:		
Cash and cash equivalents	11,106,596	13,042,954
Demand deposits held with security broker companies	13,930,565	14,321,751
	25,037,161	27,364,705

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange” and the “Listing Rules”, respectively) and should be read in conjunction with the annual financial statements for the year ended 31 March 2025.

The financial information relating to the year ended 31 March 2025 that is included in the Interim Report 2025 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the “Companies Ordinance”) is as follows:

The Company has delivered the financial statements for the year ended 31 March 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company’s independent auditor has reported on those financial statements. The independent auditor’s report was unqualified; did not include a reference to any matters to which the independent auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The accounting policies used in the unaudited condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2025, except for those due to the application of amendments to HKFRSs issued by the HKICPA.



INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRSs issued by the HKICPA which are effective for the Group’s financial year beginning on 1 April 2025:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial performance and position for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

The Group’s operating and reportable segments are as follows:

1. Hotel operation in Hong Kong
2. Property investment in Hong Kong
3. Property investment overseas
4. Securities investment and trading

The serviced property letting business in the Mainland China was discontinued in early 2025. The segment information reported below excluded the results of these discontinued operations, which are described in more detail in note 15.

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. REVENUE AND SEGMENT INFORMATION (Continued)

Disaggregation of revenue from contracts with customers

	Hotel operation in Hong Kong Six months ended 30 September	
	2025 (unaudited) HK\$	2024 (unaudited) (restated) HK\$
Types of goods or services		
Hotel operation		
– Hotel rooms revenue	5,528,547	5,459,986
– Food and beverages	1,487,491	2,723,892
Total	7,016,038	8,183,878
Geographical markets		
Hong Kong	7,016,038	8,183,878
Total	7,016,038	8,183,878
Timing of revenue recognition		
A point in time	1,487,491	2,723,892
Over time	5,528,547	5,459,986
Total	7,016,038	8,183,878

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

	Hotel operation in Hong Kong HK\$	Property investment in Hong Kong HK\$	Property investment overseas HK\$	Securities investment and trading HK\$	Total HK\$
Six months ended 30 September 2025					
(unaudited)					
Revenue	7,016,038	540,800	1,158,370	–	8,715,208
Segment (loss) profit	(361,854)	(6,770,058)	1,048,148	4,920,416	(1,163,348)
Unallocated other income, gains and losses					20,731
Unallocated expenses					(5,315,396)
Unallocated finance costs					(175,314)
Share of results of associates					354,872
Loss before tax					(6,278,455)
Six months ended 30 September 2024					
(unaudited) (restated)					
Revenue	8,183,878	541,767	792,231	–	9,517,876
Segment (loss) profit	(202,183)	(15,043,000)	568,121	4,720,725	(9,956,337)
Unallocated other income, gains and losses					1,061,461
Unallocated expenses					(5,659,698)
Unallocated finance costs					(286,720)
Share of results of associates					339,583
Loss before tax					(14,501,711)

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. REVENUE AND SEGMENT INFORMATION (Continued)

Revenue from external customers by geographical location is analysed below:

	Six months ended 30 September	
	2025 (unaudited)	2024 (unaudited) (restated)
	HK\$	HK\$
Hong Kong	7,556,838	8,725,645
Overseas	1,158,370	792,231
	<u>8,715,208</u>	<u>9,517,876</u>

4. LOSS BEFORE TAX

	Six months ended 30 September	
	2025 (unaudited)	2024 (unaudited) (restated)
	HK\$	HK\$
Loss before tax has been arrived at after charging:		
Auditor's remuneration	475,000	652,500
Cost of inventories recognised as an expense	746,808	1,264,869
Depreciation of property, plant and equipment	1,324,451	1,307,293
Depreciation of right-of-use assets	605,186	605,186
Directors' remuneration and other staff costs:		
– Salaries and other allowances	4,649,538	5,243,234
– Retirement benefit schemes contributions	132,190	160,779
	<u>4,781,728</u>	<u>5,404,013</u>

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. OTHER INCOME, GAINS OR LOSSES

	Six months ended 30 September	
	2025 (unaudited)	2024 (unaudited) (restated)
	HK\$	HK\$
Dividend income from financial assets at FVTPL	326,521	439,782
Change in fair value of financial assets at FVTPL	4,575,405	4,275,907
Bank interest income	21,944	49,052
Other interest income	17,333	–
Gain on disposal of paintings	–	1,017,987
Loss on disposal of property, plant and equipment	(1,955)	(2,841)
	<u>4,939,248</u>	<u>5,779,887</u>

6. FINANCE COSTS

	Six months ended 30 September	
	2025 (unaudited)	2024 (unaudited) (restated)
	HK\$	HK\$
Interests on borrowings	155,948	243,982
Interests on lease liabilities	19,366	42,738
	<u>175,314</u>	<u>286,720</u>

7. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax is required as the individual companies comprising the Group either incurred a loss or had tax losses to offset the assessable profits for both periods.

Fiji corporate income tax is calculated in accordance with Income Tax Act at a rate of 25% for both periods.

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

8. LOSS PER SHARE

For continuing operations

The calculation of basic and diluted loss per share from continuing operations attributable to the owners of the Company is based on the loss for the Period of HK\$6,553,086 (30 September 2024: HK\$14,741,698) and the number of shares as calculated below.

	Six months ended 30 September	
	2025 (unaudited)	2024 (unaudited)
Weighted average number of ordinary shares for the purpose of dilutive loss per share	752,529,810	752,529,810

The computation of the diluted loss per share for the six months ended 30 September 2025 and 2024 did not assume the exercise of the Company's share options, because this would result in a decrease in the loss per share.

From discontinued operations

Basic and diluted loss per share for the discontinued operations is HK0.18 cent per share (30 September 2024: HK1.07 cents per share), based on the loss for the Period from the discontinued operations of HK\$1,348,311 (30 September 2024: HK\$8,032,066) and the denominators detailed above for both basic and diluted loss per share.

From continuing and discontinued operations

Basic and diluted loss per share for the continuing and discontinued operations is HK1.05 cents per share (30 September 2024: HK3.03 cents per share), based on the loss for the Period from the continuing and discontinued operations of HK\$7,901,397 (30 September 2024: HK\$22,773,764) and the denominators detailed above for both basic and diluted loss per share.

9. DIVIDEND

The Board has resolved not to declare the payment of any interim dividend in respect of the Period (30 September 2024: Nil).

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10. TRADE RECEIVABLES

Trade debtors mainly comprise receivables from renting of properties and hotel operation. Rentals are payable on presentation of demand notes. No credit is allowed to these customers. Hotel room revenue is normally settled by cash or credit card. The Group allows an average credit period of not more than 30 days to travel agents and corporate customers.

	30 September 2025 (unaudited) HK\$	31 March 2025 (audited) HK\$
Trade receivables		
– contracts with customers	177,049	343,439
– leases	822,247	2,207,150
	<u>999,296</u>	<u>2,550,589</u>

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the invoice dates at the end of the reporting period which approximate the respective date of rendering of services.

	30 September 2025 (unaudited) HK\$	31 March 2025 (audited) HK\$
0–30 days	999,296	922,685
over 60 days	–	1,627,904
	<u>999,296</u>	<u>2,550,589</u>

Trade receivables aged over 30 days are normally past due. As at 30 September 2025, no balance (31 March 2025: HK\$1,627,904) has been past due over 60 days. The Directors are of the view that there has been no significant increase in credit risk nor default because that debtor is with continuous settlements and no default history noted.

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

11. TRADE AND OTHER PAYABLES AND ACCRUALS

	30 September 2025 (unaudited) HK\$	31 March 2025 (audited) HK\$
Trade payables	178,962	323,659
Other payables and accruals	6,474,600	6,225,424
Rental receipt in advance	79,938	117,926
	<u>6,733,500</u>	<u>6,667,009</u>

The following is an aged analysis of the trade payables based on invoice date:

	30 September 2025 (unaudited) HK\$	31 March 2025 (audited) HK\$
0–30 days	149,355	238,508
31–60 days	2,530	58,215
Over 60 days	27,077	26,936
	<u>178,962</u>	<u>323,659</u>

The average credit period on purchase of goods is 60 days.

Included in the other payables and accruals of HK\$1,292,446 (31 March 2025: HK\$1,541,424) related to accrued professional fees.

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. BANK BORROWING

	30 September 2025 (unaudited) HK\$	31 March 2025 (audited) HK\$
Carrying amount of secured bank borrowing that contains a repayment on demand clause (shown under current liabilities) but repayable:		
Within one year	674,701	674,701
Within a period of more than one year but not exceeding two years	674,701	674,701
Within a period of more than two years but not exceeding five years	7,084,355	7,084,355
	<u>8,433,757</u>	<u>8,433,757</u>

During the year ended 31 March 2025, the Group has renewed the existing banking facility with the banker and the banking facility will be expired in January 2030.

The bank borrowing carries floating-rate interest based on the Hong Kong Interbank Offered Rate plus 1.3% ranged from 2.19% to 5.41% (30 September 2024: 5.30% to 6.03%) per annum.

13. SHARE CAPITAL

	Number of shares	HK\$
Issued and fully paid:		
Ordinary shares with no par value		
At 1 April 2024, 31 March 2025, 1 April 2025 and 30 September 2025	752,529,810	329,138,773

INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. OPERATING LEASES

The Group as lessor

The Group's investment properties have committed tenants under operating leases for a remaining term of one to seven years (31 March 2025: one to seven years) at fixed rental.

Minimum lease payments receivable on leases are as follows:

	30 September 2025 (unaudited) HK\$	31 March 2025 (audited) HK\$
Within one year	2,633,341	2,757,733
In the second year	2,702,700	2,510,408
In the third year	2,897,700	2,897,700
In the fourth year	2,897,700	2,897,700
In the fifth to seventh year	1,742,327	3,191,174
	12,873,768	14,254,715

15. DISCONTINUED OPERATIONS

	Six months ended 30 September 2025 (unaudited) HK\$	2024 (unaudited) (restated) HK\$
Revenue – Contracts with customers	–	1,853,034
Cost of sales	(695,490)	(4,119,804)
Gross loss	(695,490)	(2,266,770)
Other income	1,131	32,250
Other gains or losses	(5,009)	(3,215,816)
Administrative expenses	(648,943)	(3,165,886)
Finance costs	–	(32,654)
Loss before tax	(1,348,311)	(8,648,876)
Income tax credit	–	616,810
Loss for the period	(1,348,311)	(8,032,066)

ADDITIONAL INFORMATION REQUIRED BY LISTING RULES

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the “SFO”)) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules (the “Model Code”) were as follows:

(a) Long position in the ordinary shares of the Company (the “Shares”) and underlying Shares

Name of Directors/ Chief executive	Number of issued Shares held			Number of underlying Shares held (Note 3)	Total	Approximate percentage of issued Shares
	Personal interests (held as a beneficial owner)	Corporate interests (held as a controlled corporation)	Other interests			
Mr. Derek Chiu	111,858,951	82,598,000 (Notes 1 and 2)	–	21,893,000	216,349,951	28.750%
Ms. Amanda Chiu	8,000,000	–	–	18,500,000	26,500,000	3.521%
Madam Chiu Ju Ching Lan	188,000	–	4,807,200 (Note 4)	–	4,995,200	0.664%
Mr. Alex Chiu	–	–	–	8,100,000	8,100,000	1.076%
Mr. Choy Wai Shek Raymond	7,000,000	–	–	–	7,000,000	0.930%
Mr. Ng Chi Kin	12,000	–	–	–	12,000	0.002%

Notes:

- The 80,218,000 Shares were held by Energy Overseas Ltd., a company wholly owned by Mr. Derek Chiu, an executive Director who is also the chairman of the Board (the “Chairman”), managing director (the “Managing Director”) and the chief executive (the “Chief Executive”) of the Company.
- The 2,380,000 Shares were held by Vision Aim Holdings Limited, a company wholly owned by Mr. Derek Chiu, an executive Director who is also the Chairman, the Managing Director and the Chief Executive.

ADDITIONAL INFORMATION REQUIRED BY LISTING RULES

- The underlying Shares were comprised in the share options granted to the Directors. Please refer to section (b) “Share options of the Company” below for further details.
- Madam Chiu Ju Ching Lan held 4,807,200 Shares as the administrator of the estate of the late Mr. Deacon Te Ken Chiu.

(b) Share options of the Company

Pursuant to an ordinary resolution duly passed by shareholders of the Company on 2 September 2016, the Company’s old share option scheme adopted on 1 June 2007 (the “Old Scheme”) was terminated on 2 September 2016 and the New Scheme was adopted for a period of 10 years commencing on the adoption date. Upon the termination of the Old Scheme, no further options were granted thereunder, and the options granted prior to and remaining outstanding at the termination shall continue to be valid and exercisable in accordance with the terms of the Old Scheme. On 9 September 2020, a resolution has been approved by the shareholders to refresh the limit of granting option under the New Scheme. More information can be referred in the Company’s circular dated 31 July 2020.

Movements of share options under the Old Scheme and the New Scheme held by the Directors and employees are as follows:

Number of underlying Shares comprised in share options										
Category of grantees	Held as at 1 April 2025	Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period	Held as at 30 September 2025	Exercise price per Share HK\$	Grant date	Exercisable period From To	
Executive Directors										
Mr. Derek Chiu	6,000,000	–	–	–	–	6,000,000	0.5600	23/10/2015	23/10/2015	22/10/2025
	6,070,000	–	–	–	–	6,070,000	0.4430	23/10/2017	23/10/2017	22/10/2027
	6,100,000	–	–	–	–	6,100,000	0.3400	18/03/2019	18/03/2019	17/03/2029
	3,723,000	–	–	–	–	3,723,000	0.1420	25/03/2020	25/03/2020	24/03/2030
Ms. Amanda Chiu	4,000,000	–	–	–	–	4,000,000	0.4430	23/10/2017	23/10/2017	22/10/2027
	2,100,000	–	–	–	–	2,100,000	0.3570	06/08/2018	06/08/2018	05/08/2028
	4,000,000	–	–	–	–	4,000,000	0.3400	18/03/2019	18/03/2019	17/03/2029
	6,100,000	–	–	–	–	6,100,000	0.1420	25/03/2020	25/03/2020	24/03/2030
	2,300,000	–	–	–	–	2,300,000	0.1272	18/08/2021	18/08/2021	17/08/2031
Non-executive Director										
Mr. Alex Chiu	2,000,000	–	–	–	–	2,000,000	0.4430	23/10/2017	23/10/2017	22/10/2027
	4,100,000	–	–	–	–	4,100,000	0.3570	06/08/2018	06/08/2018	05/08/2028
	2,000,000	–	–	–	–	2,000,000	0.3400	18/03/2019	18/03/2019	17/03/2029

ADDITIONAL INFORMATION REQUIRED BY LISTING RULES

Number of underlying Shares comprised in share options										
Category of grantees	Held as at 1 April 2025	Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period	Held as at 30 September 2025	Exercise price per Share HK\$	Grant date	Exercisable period	
									From	To
Former Independent										
Non-executive Director										
Mr. Ng Wing Hang	1,000,000	-	-	-	-	1,000,000	0.5600	23/10/2015	23/10/2015	22/10/2025
Patrick (Note)	1,000,000	-	-	-	-	1,000,000	0.4430	23/10/2017	23/10/2017	22/10/2027
	1,000,000	-	-	-	-	1,000,000	0.1420	25/03/2020	25/03/2020	24/03/2030
	1,000,000	-	-	-	-	1,000,000	0.1272	18/08/2021	18/08/2021	17/08/2031
Aggregate for employees										
	800,000	-	-	-	-	800,000	0.5600	23/10/2015	23/10/2015	22/10/2025
	1,000,000	-	-	-	-	1,000,000	0.1272	18/08/2021	18/08/2021	17/08/2031
	<u>54,293,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,293,000</u>				

Note: The late Mr. Ng Wing Hang Patrick passed away on 9 November 2024.

No vesting period was provided for the above share options granted.

No share options lapsed during the Period (30 September 2024: 4,000,000 share options). Save for the above, no share options were granted or exercised or cancelled or lapsed during the Period.

Subsequent to the Period and up to the date of this report, there were 7,800,000 share options lapsed under the Old Scheme and 3,000,000 share options lapsed under the New Scheme.

As at 1 April 2025 and 30 September 2025, the total number of share options available for grant under the Old Scheme were Nil and the New Scheme were 41,471,067.

The total number of Shares that may be issued in respect of share options granted under all schemes of the Company during the Period divided by the weighted average number of Shares in issue (excluding treasury shares, if any) for the Period was Nil.

As at the date of this report, the total number of Shares available for issue under the New Scheme were 46,771,067 which represent 6.22% of the issued Shares (excluding treasury shares, if any).

As at the date of this report, the Company has outstanding share options comprising 43,493,000 underlying Shares under the New Scheme, which representing approximately 5.78% of the Shares in issue as at that date.

ADDITIONAL INFORMATION REQUIRED BY LISTING RULES

Save as disclosed above, as at 30 September 2025, none of the Directors nor the chief executive of the Company, had interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

OPTIONS TO TAKE UP UNISSUED SHARES

During the Period, no Shares were issued by virtue of the exercise of an option under the Old Scheme or the New Scheme.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save as the interests of certain Directors disclosed under the section headed "Directors' and Chief Executive's Interests and Short Position in Shares, Underlying Shares and Debentures", according to the register of interests maintained by the Company pursuant to section 336 of the SFO and as far as the Directors are aware, as at 30 September 2025, the following persons who (other than a Director or the chief executive of the Company) or corporations which had an interest or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or was, directly or indirectly, interested in 5% or more of the total number of Shares in issue carrying rights to vote in all circumstances at general meeting of the Company:

Long position in the Shares

Name of shareholders	Capacity/Nature of interests	Number of issued Shares held	Approximate percentage of issued Shares
Mr. Deacon Te Ken Chiu (deceased) (<i>Notes 1 and 3</i>)	Beneficial owner/Personal interest; and interest in controlled corporations/ Corporate interest	113,726,476	15.113%
Achiemax Limited (<i>Note 1</i>)	Beneficial owner/Personal interest	72,182,400	9.592%
Energy Overseas Ltd. (<i>Note 2</i>)	Beneficial owner/Personal interest	80,218,000	10.660%



ADDITIONAL INFORMATION REQUIRED BY LISTING RULES

Notes:

1. The late Mr. Deacon Te Ken Chiu beneficially owned 12,491,424 Shares. Of the remaining 101,235,052 Shares, (i) 100,939,842 Shares were held by various private companies wholly owned by the late Mr. Deacon Te Ken Chiu of which 72,182,400 Shares were held by Achiemax Limited; and (ii) 295,210 Shares were held by Far East Consortium Limited, a wholly-owned subsidiary of Far East Consortium International Limited. The late Mr. Deacon Te Ken Chiu was a controlling shareholder of these companies and a director of Achiemax Limited.
2. Energy Overseas Ltd. is a company wholly owned by Mr. Derek Chiu (an executive Director who is also the Chairman, the Managing Director and the Chief Executive) who is also its director.
3. Madam Chiu Ju Ching Lan, a non-executive Director, held 4,807,200 Shares as the administrator of the estate of the late Mr. Deacon Te Ken Chiu.

Save as disclosed above, as at 30 September 2025, the Company has not been notified of any persons who (other than a Director or the chief executive of the Company) or corporations which had an interest or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or was, directly or indirectly, interested in 5% or more of the total number of Shares in issue carrying rights to vote in all circumstances at general meeting of the Company.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as the share options disclosed above, at no time during the Period was the Company, or its holding company or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES IN THE COMPANY

During the Period, the Company did not redeem any of the Shares listed and traded on the Stock Exchange nor did the Company or any of its subsidiaries purchase or sell any of such Shares (including the sale of treasury shares, if any). As at 30 September 2025, the Company did not hold any treasury shares.

ADDITIONAL INFORMATION REQUIRED BY LISTING RULES

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a new code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code. Following a specific enquiry made by the Company with each Director, the Directors have confirmed that they had fully complied with the required standard set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions during the Period.

CORPORATE GOVERNANCE

Throughout the Period, the Company has complied with all the code provisions of the Corporate Governance Code contained in Part 2 of Appendix C1 to the Listing Rules (the "Code"), except for the following:

Code provision C.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

The role of chairman is responsible for formulating and setting the Group's strategies and policies in conjunction with the Board.

The role of chief executive is responsible for managing the Group's strategic initiatives, investor relations, corporate and investor communications, mergers or acquisitions, and financing.

Mr. Derek Chiu, an executive Director is also the Managing Director, the Chief Executive and the Chairman. The Board believes that vesting the roles of the Chairman and the Managing Director and the Chief Executive in the same person has the benefit of ensuring strong consistent leadership with the Group and enable more effective and efficient planning and implementation of business decisions and strategies. The Board also believes that it will not impair the balance of power and authority between the Board and the management of the Company.

In addition, as all major decisions are made in consultation with members of the Board and relevant Board committees, with the independent non-executive Directors offering independent perspectives, the Board is of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board.

The Board will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Code, and maintain a high standard of corporate governance practices of the Company.





ADDITIONAL INFORMATION REQUIRED BY LISTING RULES

Code provision C.1.5 of the Code stipulates that independent non-executive directors and non-executive directors shall attend the general meetings and develop a balanced understanding of the views of shareholders. Non-executive Directors, namely Madam Chiu Ju Ching Lan and Mr. Alex Chiu, did not attend the annual general meeting of the Company held on 2 September 2025 due to other business engagements. Other Board members and the chairmen of the relevant Board committees also attended the annual general meeting to interface with, and answer questions from the shareholders.

CHANGE IN INFORMATION OF DIRECTOR

The change in Director's information since the date of the Company's 2025 annual report as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules and up to the date of this report is set out below:

Ms. Amanda Chiu, an executive Director, has been appointed as a member of the nomination committee of the Board with effect from 2 September 2025.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Board (the "Audit Committee") comprises all of the independent non-executive Directors, Mr. Ng Chi Kin, Mr. Choy Wai Shek Raymond and Mr. Lo Chun Chiu Adrian.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group, and discussed financial reporting matters, including a review of the unaudited consolidated financial statements and this report of the Company for the Period.

On behalf of the Board

Derek Chiu

Executive Director, Chairman, Managing Director and Chief Executive

Hong Kong, 27 November 2025

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